

Employee Engagement

The Trends in a Worldwide Pandemic

The current global pandemic is not the first major world crisis to impact organizations and workers. Interestingly, major crises appear to be on a nearly once-in-a-decade cadence. In 2001, we experienced the tragedy of the 9/11 terrorist attacks on the U.S. which had a damaging impact on the world-wide economy. In 2008, we felt the collapse of the world's economy again which shuttered tens of thousands of businesses and put millions of people out of work. And now, we're amid a global pandemic of proportions not suffered through in over a century. Not only has the pandemic negatively affected the health and lives of people around the world, but it has consequently impacted the economy, how companies operate, and how employees perform their jobs. Let's take a closer look at the differences between the current global pandemic and historical crises to uncover what patterns held true, what changed, and what we can expect next.



While major crises, such as these, wreak havoc on people and the economy, they tend to impact employees in unexpected ways. During the crash of the stock market in 2008, our research showed that it was not necessarily the poor economic conditions that most affected employees' levels of engagement and sentiment related to their work and employer, but rather, the major factor was the result of leaders' actions and how they led their companies through the crisis. Up to this point in the pandemic, we are seeing a very similar trend regarding the impact to employee engagement as well as what factors are emerging as most driving engagement.

Given our extensive experience, supporting our clients by leveraging their talent to create high performing organizations, we set out to investigate how the pandemic was consequently affecting employees and their motivations to continue to work hard, be committed to their companies, and provide care for their customers. Our research up to this point leverages the IBM/Kenexa norms database which is comprised of 895 engagement census survey projects across 542 clients and 16.2 million respondents. In addition, we have collected data from an additional 118 engagement census

survey projects in 2020 and an additional 80 projects up through the first half of 2021 with a combined one million respondents. Over the course of our norms database, we have continued to consistently and methodically track engagement trends of clients from 20 different industries and from across over 200 countries.

Our research has since shown that engagement declined in 2010 from what it was in 2008 and 2009 during the crash of the economy. As the economy started to correct and organizations stabilized, that is when we saw engagement hit its lowest point. From that low point, engagement made a steady and slight ascent over the course of about five years. Between 2015 and 2019, employee engagement enjoyed an all-time high and seemed to hit a ceiling. Queue the pandemic.



Employee engagement has increased, on average, from 72% favorable in 2019 to 75% favorable in 2020, and it's currently at 76% favorable in the first half of 2021. At no other time in the last decade has engagement increased so sharply as it has in the last 18 months.

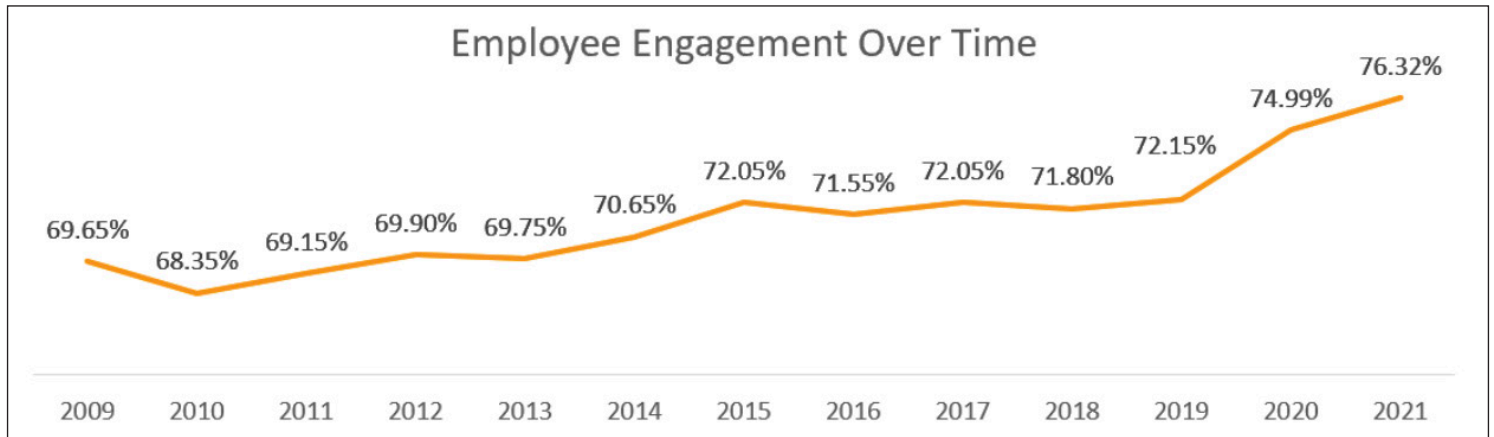


Figure 1. Employee Engagement Trends From 2009 to 2021

As the threat of the pandemic grew incrementally in March and through the summer of 2020, we formed a hypothesis from our learned experience of prior crises that engagement was likely to increase, and the research conducted by WSA indicates that indeed it has. We analyzed engagement survey data across 200 engagement census survey projects collected between 2020 and 2021, and what we found surpassed all expectations.

To understand the impetus for the substantial increase in engagement that was found, we examined the drivers of engagement between 2020 and the first half of 2021, and we compared them to the known drivers pre-pandemic. From our previous research before the pandemic, we had found that there are six fundamental drivers of engagement that tend to show up regardless

of organization size, industry, country location or culture. Pre-pandemic, the greatest driver of engagement was growth and development, referring to the opportunity for employees to develop their skills and abilities, as well as pursue growth and advancement within the company.

When investigating several dozen organizations who had surveyed in 2020 and 2021 as a preliminary analysis, we found that growth and development was no longer the number one driver of engagement. Instead, another fundamental key driver of engagement—future vision—emerged stronger. Future vision is defined as employee confidence in the future of their organization and their belief that leadership can guide the organization through the rough waters. During this time of crisis, future vision has consistently risen in priority and impact to

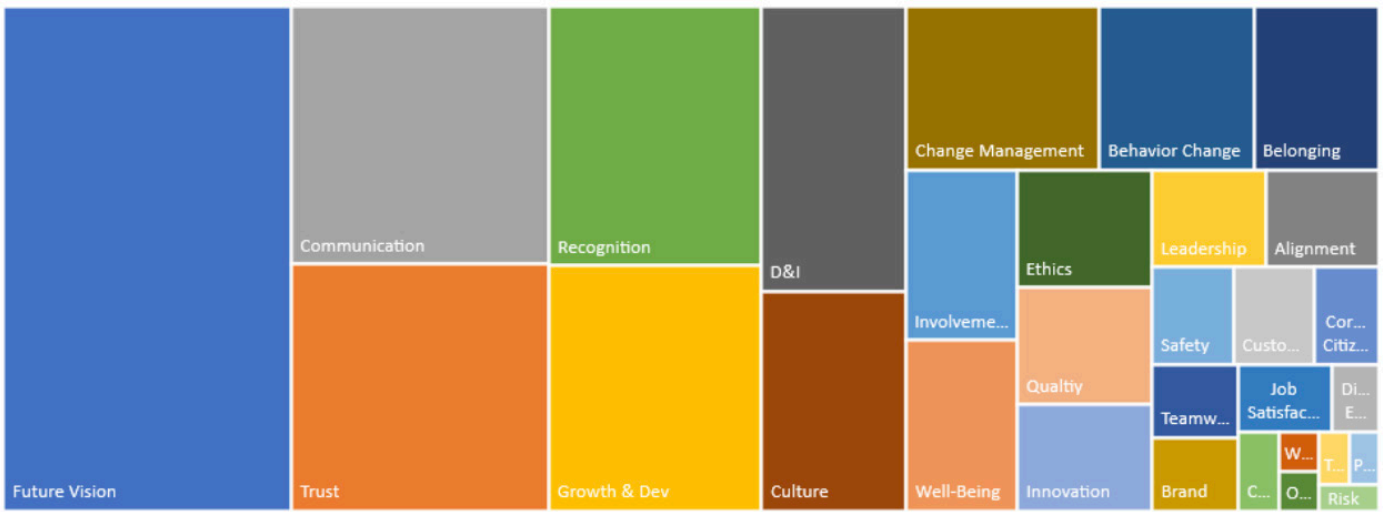


Figure 2. Preliminary Results of Key Drivers of Employee Engagement in 2020/2021

employee engagement—and for organizations who acted upon it, future vision scores are quite positive. This evolution makes sense as during a crisis, future vision translates as comfort and trust for employees in the direction and choices of the organization and its leadership, instilling a sense of confidence. It also envelops a measure of security for their personal well-being.

Two other of fundamental drivers of engagement emerged in a close tie for second place: Communication and trust. These also make sense given that leaders who were proactive and attempted to paint a clear, transparent picture of the future needed to ensure that message was communicated down to the lowest levels of the company, and in turn, promoted trust in the leadership team to not only support the company to survive the pandemic but to also thrive on the other side. Growth and development and recognition

Top Three Fundamental Drivers of Engagement:

- 1 Future Vision
- 2 Communication
- 3 Trust

were found to be a close tie for the next most correlated drivers.

What this means for any organization, whether leaders have stood up to the challenge or not, is that by focusing on the mission and vision of the company and ensuring a message that is motivating to all levels of the company, it is appropriately cascaded. There is a great probability that it will positively affect employees and their willingness to help the organization succeed. There is a lot of power in clarity, such that when people know where they are going, they are more likely to get there. Some leaders can make this feel

real, and they can add color and vividness bringing employees along on the journey ahead. Most of all, employees want to know how it involves them. This completes the vision and ties everyone and their jobs back to the big picture for where the organization is aiming to launch.

For any leader struggling to create that motivating future vision, first, begin by asking:

- ***Where are we going?***
- ***How are we going to get there?***
- ***And, what does it mean for me, as the employee?***

While we will be expanding on this research as more data becomes available, the

current conclusion is that organizations who had leadership at the helm, who were proactive rather than reactive, have been given credit by their employees for their efforts in being transparent, caring, and doing what they can to make sure employees and their families were as safe as possible. Even if leaders have yet to attempt to create some clarity in this time of uncertainty, it is not too late. Employees—now more than ever—want to know that the future looks bright for their company and that they are an integral part to help the company win. Leaders who are willing to listen to their employees in tough times and act on what they hear are essential to all of us coming out of this crisis stronger.

About WSA

We believe in the power of applying the right science to make people and organizations successful. We believe in empowering business to measure what matters when it matters—so they, in turn, can motivate their people to work harder, stay longer, and care more. We believe that behavioral science is the ingredient for ensuring that employees stay focused on the right things at the right time and with the right momentum. We believe that employee's lives are never better than when they are highly engaged and using their talents to contribute to a company they believe in. And we know that you need a partner who has workforce performance down to a science.